BOB F. ANDERSON, PE, INC.

PETROLEUM ENGINEERS & CONSULTANTS TELEPHONE (318) 425-4230 FACSIMILE (318) 222-1054 email: bfandpe@aol.com

October 9, 2004

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Unit
Cotton Valley Formation, Reservoir A
Proposed CV RA SUDD and
Proposed Hosston Formation, Reservoir A
Substitute Unit Well and Alternate Unit Wells
HOSS RA SU2
Holly Field
DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of WINCHESTER PRODUCTION COMPANY, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Zone, Reservoir A, and the Hosston Formation, Reservoir A, Holly Field, DeSoto Parish, Louisiana:

FOR THE COTTON VALLEY FORMATION, RESERVOIR A:

- 1. To establish one (1) additional 640 +/- acre drilling and production unit for the exploration for and the production of gas and condensate for the Cotton Valley Formation, Reservoir A, Holly Field, DeSoto Parish, Louisiana, such unit being designated CV RA SUDD, shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To designate Winchester Production Company as the unit operator for the proposed CV RA SUDD and their proposed Pullen 14 No. 1 Well as the unit well at an exceptional location.

- 2
- 4. To permit the applicant to drill four (4) alternate unit wells for the proposed CV RA SUDD, at exceptional locations and to find that the alternate unit wells are needed to drain a portion of the unit that cannot be drained by any other well located therein.
- 5. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells or from a combination of all wells at its discretion.
- 6. To extend the provisions of the 88-E Series of Office of Conservation Orders and other applicable statewide orders to the Cotton Valley Formation, Reservoir A, unit being proposed herein, except as it may be in conflict herewith.

FOR THE HOSSTON FORMATION, RESERVOIR A:

- 1. To permit the applicant to drill, designate and utilize their Pullen 14 No. 2 Well as a substitute unit well for the production of gas and condensate from the Hosston Formation, Reservoir A, in the unit designated HOSS RA SU2 such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of Office of Conservation Order No. 88-C Series of Office of Conservation Orders.
- 2. To permit the applicant to drill, designate and utilize four (4) alternate unit wells, in exception to the spacing provisions of the 88-D Series of Office of Conservation Orders, such wells shown on the attached plat and made a part hereof.
- 3. To find that the alternate unit wells are needed on the HOSS RA SU2 to assist in draining a portion of the unit that cannot be efficiently and effectively drained by any other well located within the unit
- 4. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells or from a combination of all wells at its discretion.

FOR BOTH THE COTTON VALLEY RESERVOIR A AND THE HOSSTON FORMATION, RESERVOIR A:

1. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-E, effective February 1, 1975 and the Hosston Formation, Reservoir A, was defined in Office of Conservation Order No. 88-D, effective February 1, 1975.

Hon. James H. Welsh Holly Field

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A pre-application notice was sent to all parties stating a time and date to discuss the application and any objections thereto, however no request for a conference was received, therefore no conference was held.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

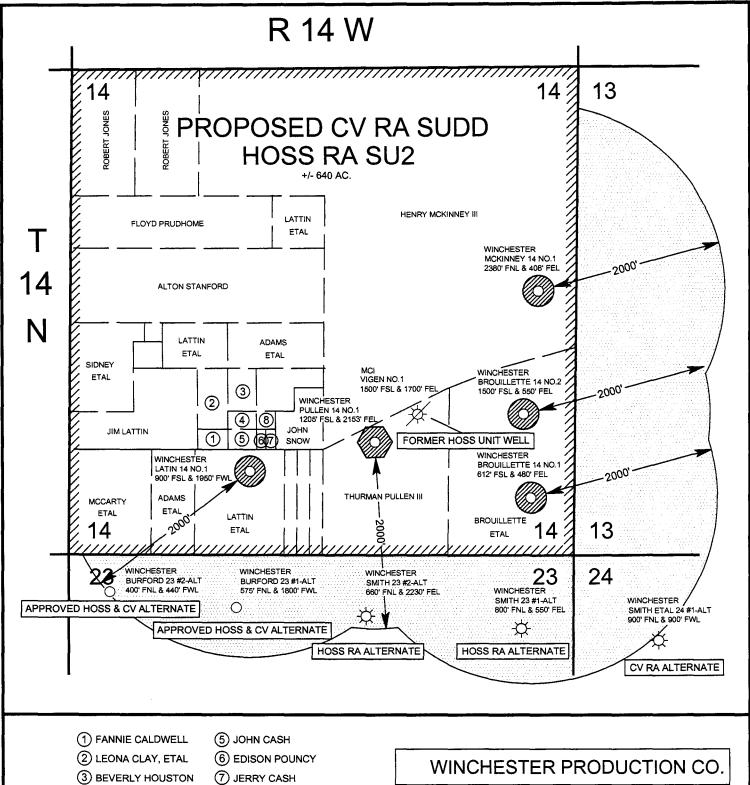
Yours truly,

B. F. Anderson, PE for

SJ anden

WINCHESTER PRODUCTION COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties Winchester Production Company



- 4 JULIA HOUSTON
- 8 CHARLIE CASH



PROPOSED CV RA ALTERNATE UNIT WELL AT AN EXCEPTIONAL LOCATION



PROPOSED CV RA UNIT WELL AT AN EXCEPTIONAL LOCATION



HOLLY FIELD
DESOTO PARISH, LOUISIANA

PROPOSED UNIT, UNIT WELL
AND ALTERNATE UNIT WELLS
ALL AT EXCEPTIONAL LOCATIONS
CV RA SUDD

EXHIBIT NO.1